



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **16**

Meeting Date: 4 June 2012

Subject: Update on Australian Charities and Not-for-Profits Commission (ACNC)

Date Prepared: 17 May 2012

Action Required

For Information Purposes Only

Agenda Item Objectives

To update the AUASB on recent discussions with Treasury/ACNC about the 2nd draft ACNC Bill 2012 and implications for audit and assurance matters.

Background

On 26 March 2012, AUASB staff held a teleconference with policy and accounting staff of the ACNC taskforce and ACNC.

The AUASB provided some feedback on the proposed legislation to the ACNC in that it seems only to cater for the requirements of an audit and not a review even though this is an option for some of the Tier 2: medium sized entities.

The ACNC also asked the AUASB if it felt the legislation should cover the area of appointment, removal and resignation of auditors which it is currently silent on. We recommended that the legislation should deal with these aspects so that the requirements are explicit and can be applied consistently. It was noted that these requirements could be based on those in the *Corporations Act 2001* if appropriate.

On 3 May 2012, AUASB staff had further discussions with Treasury about the 1st draft of the proposed ACNC legislation reiterating the points made above and noting that until a 2nd draft of the ACNC Bill 2012 was received by the AUASB it would be difficult to comment on specific provisions.

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The AUASB received the 2nd draft ACNC Bill 2012 on 8 May 2012 and were requested to provide any comments by Friday, 18 May 2012.

Matters to Consider

We refer the AUASB to the attached table at 16.1 which outlines specific comments made to Treasury on the provisions of ACNC Bill 2012 - Chapter 3, Part 3-2 Division 55 – Reporting.

Material Presented

Agenda Item 16	AUASB Board Meeting Summary Paper
Agenda Item 16.1	AUASB comments on 2nd Draft ACNC Bill 2012

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